

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6828**

**BILL NUMBER:** SB 371

**NOTE PREPARED:** Dec 29, 2014

**BILL AMENDED:**

**SUBJECT:** Hunting and fishing licenses.

**FIRST AUTHOR:** Sen. Becker

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:**    **GENERAL**  
                          **X DEDICATED**  
                          **X FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill defines "qualified veteran" as an individual:

- (1) who is a resident of Indiana;
- (2) who has served in the armed forces of the United States; and
- (3) who:
  - (A) is a Purple Heart recipient;
  - (B) is a former prisoner of war; or
  - (C) has a service connected disability rating of at least 50%.

The bill allows a qualified veteran to obtain a hunting and fishing license free of charge.

**Effective Date:** July 1, 2015.

**Explanation of State Revenues:** *Summary:* The bill provides that certain qualified veterans may obtain a basic license to hunt, fish, and trap free of charge. Any reduction in state revenue that would occur as a result of the free hunt/fish license proposal will depend on the number and ages of qualifying veterans who apply for free licenses compared with the number and type of licenses, if any, that the qualified veteran would have otherwise purchased. If all qualified resident disabled veterans that currently purchase annual hunting, fishing, or hunting/fishing licenses would be eligible for free licenses, the Fish and Wildlife Fund could potentially see a maximum annual decrease in revenue of approximately \$14,394 in dedicated state funds. The actual impact would likely be less since the bill defines a higher disability rating for the free licenses than for the discounted licenses. Additionally, the DNR could lose federal sport fish and wildlife funding that is associated with the number of paid, certified hunting and fishing licenses sold each year.

*Additional Information:* It is not possible to determine the number of qualified veterans defined in the bill since there is likely overlap between the specified categories of veterans who would be qualified to receive free licenses. (About 34% of Indiana veterans with a Veterans' Affairs disability rating have a service-connected disability of at least 50%.) See the table below for estimates of the numbers of veterans in the specified categories.

<b>Veterans That May Qualify for Free Hunting/Fishing Licenses</b>	
Purple Heart Recipient License Plates* (CY 2013)	6,195
Former Prisoner of War License Plates* (CY 2013)	3,232
Service-Connected Disability of at least 50% (CY 2013)	26,776
*Qualified veterans may be issued up to two license plates.	

The Department of Veterans' Affairs (DVA) indicated that in 2013, there were 78,650 Indiana veterans with a Veterans' Affairs disability rating receiving compensation or pension benefits. Under current statute, a resident veteran with a service-connected disability may purchase an annual fishing license for \$2.75; an annual small game hunting license for \$2.75; a combination hunting and fishing license for \$2.75; and an annual undiscounted license to trap for \$17. Additionally, qualified veterans may purchase for \$27.50, a ten-year license to hunt, fish, or hunt and fish. (Current undiscounted license fees are the following: annual fishing license for \$17.00; an annual small-game hunting license for \$17.00; a combination hunting and fishing license for \$25.00; and an annual license to trap for \$17.) Discounted license fees are for basic licenses. Game bird, waterfowl, deer, turkey, trout, and salmon stamps must be purchased separately at the regular price. Additionally, senior fish-for-life licenses are available to anyone over age 65 for \$17.00. DNR reported the following numbers of discounted basic licenses sold to qualifying resident veterans with a Veterans' Affairs disability rating.

<b>DAV Discounted Hunting/ Fishing Licenses Sold</b>					
<b>Basic License</b>	<b>2010 Season*</b>	<b>2011 Season*</b>	<b>2012 Season*</b>	<b>2013 Season*</b>	<b>2014 Season*</b>
Resident DAV Fishing @ \$2.75	1,230	1,369	1,560	1,544	1,456
Resident DAV Hunting @ \$2.75	199	182	278	223	173
Resident DAV (Combo) @ \$2.75	4,860	5,108	5,174	4,207	3,605
<b>Total Annual Licenses</b>	<b>6,289</b>	<b>6,659</b>	<b>7,012</b>	<b>5,974</b>	<b>5,234</b>
10-Year Resident DAV Fishing @ \$27.50			21	166	192
10-Year Resident DAV Hunting @ \$27.50			9	20	16
10-Year Resident DAV (Combo) @ \$27.50			238	1,212	1,041
<b>Total 10-Year licenses</b>			<b>268</b>	<b>1,398</b>	<b>1,249</b>
<b>Total Licenses</b>	<b>6,289</b>	<b>6,659</b>	<b>7,134</b>	<b>7,372</b>	<b>6,487</b>
*Licenses are valid for a season of April 1 through March 31 of the following calendar year. (This information does not include revenues associated with trapping license sales. Trapping is an activity for which there currently is no DAV discounted license. DNR has no data to indicate the number of qualified veterans that purchase trapping licenses.)					

Any reduction in state revenue that would occur as a result of the free hunting/fishing license proposal will depend on the number of qualifying veterans who apply for the free license compared with the number and type of licenses, if any, that the qualified veteran would have otherwise purchased. Not all disabled veterans that qualify for the discounted license fees would meet the more stringent requirements defined in the bill for the free licenses. If all qualified resident veterans that currently purchase annual hunting, fishing, or hunting and fishing licenses meet the more stringent requirements for the free licenses, the Fish and Wildlife Fund could potentially see a decrease in license revenue of approximately \$14,394 [(5,234 x \$2.75).

The DNR received \$47.37 for each certified hunter and \$8.85 per angler in FFY 2014 in sport fish/wildlife restoration monies. The rate changes annually depending upon the number of license holders and the amount of tax collected on the sale of firearms, ammunition, archery equipment, and fishing gear. In order to receive federal reimbursement for each license sold, the DNR must charge a fee that is commensurate with the normal cost for that privilege. Currently, the disabled veteran's basic license fees are set at the lowest allowable amount (\$2.75) to qualify for federal sport fish/wildlife restoration funds.

Revenue from the sale of hunting licenses goes into the dedicated Fish and Wildlife Fund that is used to pay the operating expenses of the DNR Divisions of Law Enforcement and Fish and Wildlife.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Natural Resources.

**Local Agencies Affected:**

**Information Sources:** Bureau of Motor Vehicles; USDVA; and DNR.

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